



DEPARTMENT OF THE NAVY

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20350-1000

SECNAVINST 4855.3  
ASSTSECNAV(S&L) RM&QA  
31 March 1987

SECNAV INSTRUCTION 4855.3

From: Secretary of the Navy

Subj: PRODUCT DEFICIENCY REPORTING AND EVALUATION PROGRAM  
(PDREP)

Ref: (a) SECNAVINST 4855.1A  
(b) BUMEDINST 6710.63  
(c) NAVSUPINST 4355.2D

Encl: (1) Deficiency Product Reporting and Evaluation Elements  
(2) PDREP Navy Focal Point Responsibility and Authority  
(3) Definitions

1. Purpose. To establish the policies, procedures and responsibilities for implementing and monitoring a unified, automated product deficiency reporting and evaluation system which will result in improved contract decision making and better product quality. This system will decrease material ownership costs, measure the effectiveness of PDREP reporting, instigate corrective action and evaluate contractor/supplier performance.

2. Cancellation. NAVMATINST 4855.9.

3. Background. The Department of the Navy Quality Assurance Program, as set forth in reference (a), specifically requires the establishment of a product deficiency reporting and data feedback system, maintenance of contractor/supplier quality history and effective use of the data to influence the pre-contract award process and formulate the basis for necessary post award quality assurance actions. PDREP provides the mechanisms and procedures to ensure that all levels of management are kept aware of the impact of deficient material and have adequate information to take the appropriate corrective action.

4. Scope. This instruction applies to the reporting of product deficiencies in new or newly reworked material in all programs involving naval material or services. It includes deficiencies which may occur in items covered by contract warranty, Government owned products under development, Government Lot Acceptance Test,

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Rework Assessment Test, test products presented to the Government for test acceptance or test evaluation at destination, items supplied as Government Furnished Equipment (GFE) or deficiencies in any other product not specifically excluded by this instruction. This instruction encompasses weapons, platforms, support systems hardware and weapon systems software including procurements and covers the phases of the acquisition and logistic support process including development, production, maintenance, spares and inventory management, transportation of product and support services in the Navy. Deficiency reporting currently performed under the Navy Nuclear Propulsion Program, Fleet Ballistic Missile Weapon System and Strategic Weapon Systems are considered in compliance with this instruction. Specifically excluded from this instruction are medical materials and subsistence materials which shall be reported in accordance with references (b) and (c).

## 5. Policy

a. The Navy shall implement a product deficiency reporting and evaluation program that will feed data back to those activities responsible for design, development, purchasing, production, supply, maintenance, contract administration and other acquisition functions and initiate action to appraise, correct and prevent product deficiencies, decrease material ownership costs, evaluate contractor/supplier performance and use performance data for making procurement decisions. In addition, the reporting system shall contain means of measuring its own effectiveness.

b. Product deficiency data reportable under this instruction shall be reported in a timely manner on STD Form 364/368 or formatted as appropriate. Causes of defects are to be promptly determined and corrected, and action shall be initiated to prevent recurrence. Deficiency data for new or newly reworked material shall be controlled/reported in accordance with this instruction, except as specifically exempted.

c. Repetitive material problems identified at headquarters level shall receive priority attention from Navy management.

d. The Navy shall make maximum use of the reported deficiency data in conjunction with other quality performance data to evaluate a contractor's historical quality performance and use the data in the pre-award process to avoid awards to contractors with a history of poor performance and to determine actions necessary in the post award process to assure product quality.

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e. PDREP shall be part of organizational functional assignments and shall be made part of and funded as part of its mission statement.

f. Any deviation to the requirements of this instruction must have prior approval and be authorized by ASSTSECNAV(S&L) RM&QA.

## 6. Action

a. The Director for Reliability, Maintainability and Quality Assurance ASSTSECNAV(S&L) RM&QA is the designated program authority and shall:

(1) Provide program guidance and assistance through the PDREP Navy focal points to the SYSCOM's on matters related to this instruction.

(2) Designate a PDREP Functional Manager who will also serve as the Navy PDREP focal point team chairman.

(3) Adjudicate and provide final resolution on all questions relating to policy requirements pertaining to this instruction.

(4) Provide and utilize management reports derived from consolidated SYSCOM data to monitor the effectiveness of the PDREP activities and functions.

(5) Establish for SYSCOMs performance measurement goals for decreasing costs attributable to deficient material.

(6) Review all separate reporting systems to assure compliance with the needs and requirements of PDREP.

(7) Act as the Functional Sponsor and Manager as defined in NAVDAC PUB 24.1 for approval and coordination of Automated Information Systems (AIS) required to implement PDREP.

b. SYSCOM Commanders, R&D Centers and Program Managers shall:

(1) Develop or revise as necessary all internal policies, procedures, instructions, and other documentation as necessary to ensure timely compliance with the policies outlined in this instruction. Specific elements to be incorporated in the local directive are identified in enclosure (1).

(2) Establish a SYSCOM PDREP Coordinator for the coordinating implementation of this instruction and for liaison with the Navy focal points.

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(3) Budget for funding and manpower allocation, continue program implementation begun on 15 March 1983, and identify PDREP as part of the command's functional assignment.

(4) Submit status and summary reports as required by higher authority. Reports shall support the extent deficiency data is used in meeting the requirements of the policy statement in paragraph 5.

(5) Strive to meet or exceed performance measurement goals established by higher authority.

(6) Ensure that material deficiency data for new or newly reworked material on all new programs are handled in accordance with the requirements of this instruction.

(7) Submit plans for special case separate reporting systems to ASSTSECNAV(S&L) RM&QA for review and approval prior to implementation.

c. Naval Air Systems Command (COMNAVAIRSYSCOM) is designated as PDREP Navy focal point for the Quality Deficiency Reporting (QDR) and shall appoint a Navy PDREP QDR manager.

d. Naval Sea Systems Command (COMNAVSEASYSYSCOM) is designated as the PDREP Naval focal point for the Contract Evaluation Systems (CES) and shall appoint a Navy PDREP CES manager.

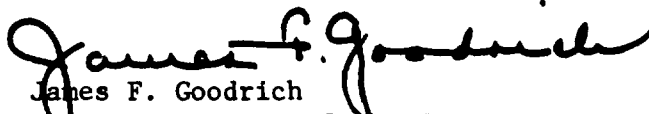
e. Naval Supply Systems Command (COMNAVSUPSYSCOM) is designated as the PDREP Naval focal point for the Report of Discrepancy (ROD) SF 364 and shall appoint a Navy PDREP ROD manager.

NOTE: Responsibility and authority of the focal points are defined in enclosure (2).

## 7. Reports and Forms

a. Report Control Symbol DD-A&L(Q)1525 (4855) is assigned to the reporting requirement of this instruction and is approved for three years from the date of this instruction.

b. SF 364 (NSN 7540-00-159-4442) and SF 368 (NSN 7540-00-133-5541) are available from General Services Administration.

  
James F. Goodrich  
Acting Secretary of the Navy

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PRODUCT DEFICIENCY REPORTING AND EVALUATION PROGRAM (PDREP) ELEMENTS

1. Naval Systems Commands (SYSCOMs) and Program Managers PDREP shall include the following elements:

a. A process for the originating point to document and report material deficiencies.

b. A capability to thoroughly screen deficiency reports prior to forwarding to another point.

c. Use of the SF 368 or 364 for reporting material deficiencies.

d. Identification of action point(s) responsible for receiving deficiency reports from other activities.

e. An analysis, report screening and investigation capability to assure timely and thorough actions taken to address and correct the cause of confirmed deficiencies.

f. A capability to selectively notify other users of products reported to be defective and when necessary, to provide disposition of nonconforming material in stock and in use throughout the Department of Defense/General Supply Agency system.

g. A capability to selectively request and tightly control deficient material exhibit held for investigation.

h. A system to provide for informative responses to the originating points.

i. A system to insure that material deficiencies are processed, when necessary, across organizational lines to provide for a product line, contractual, transportation, overhaul and repair category of review so that action can be initiated to correct and prevent future comparable deficiencies.

j. A capability to initiate and submit summary reports which reflect overall system effectiveness, ownership cost control and prevention.

k. A capability to selectively interchange deficiency data between the product deficiency reporting system and the ALERT portion of the Government Industry Data Exchange Program (GIDEP).

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l. A system to assure that deficiencies on Government Furnished Property are reported in accordance with contractual requirements and that these deficiencies are in turn reported to the designated action points.

m. A system for collecting and evaluating historical contractor quality performance data to supplement the deficient material reports which can be used to influence the pre and post contract award decision.

n. A coordinator within the Naval Systems Command (SYSCOM) or Program Manager (PM) who is assigned the responsibility for assessing the quality of all material received by the SYSCOM and for assuring corrective action is taken to improve unacceptable conditions.

(1) The designated coordinator must have a working knowledge of quality assurance and a comprehensive knowledge of the Command's deficiency reporting data collection system.

(2) Coordinators shall be identified in writing to ASSTSECNAV(S&L) by the SYSCOM Commander or Vice Commander within 10 days of date of issue of this instruction.

Enclosure (1)

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NAVY FOCAL POINT RESPONSIBILITY AND AUTHORITY

1. The focal point manager as appointed by the SYSCOM shall have a working knowledge of quality assurance and detailed knowledge of the command's deficiency reporting data collection system. These managers and the SYSCOM PDREP coordinators will function as a team under the direction of the person designated by ASSTSECNAV(S&L) RM&QA as the team chairperson and functional manager for PDREP. The SYSCOM PDREP coordinator and SYSCOM focal point manager need not be the same individual. SYSCOM focal point managers will be identified in writing to ASSTSECNAV(S&L) RM&QA by SYSCOM Commander or Vice Commander within thirty days of the date of issue of this instruction if not already identified from the superseded instruction. Other designated managers shall participate and other agencies will be requested to participate on an "as required" basis to effect a timely implementation of the program.

2. Responsibility. The Navy PDREP focal points are responsible for the following for their respective role in PDREP:

a. Design and coordinate the review and approval of the PDREP specification requirements.

b. Develop detailed PDREP plans and procedures.

c. Provide status and summary reports as required by higher authority.

d. Provide technical assistance to Navy activities.

e. Identify and coordinate PDREP resource requirements.

f. Act as the Project Manager under NAVDAC PUB 24.1 for the development of an Automated Information System (AIS) to support PDREP.

3. Authority. In order to accomplish the above responsibilities, the Navy focal points are lead agents by functional assignment and are authorized to:

a. Communicate directly with higher authority and other concerned agencies within and outside the government.

Enclosure (2)



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b. Request support from other Navy activities as coordinated with ASSTSECNAV(S&L) RM&QA. Major changes and policy guidance must be coordinated with the office of ASSTSECNAV(S&L) RM&QA.

c. Perform necessary travel to fulfill the purpose and objectives of this program.

d. Conduct necessary meetings to disseminate information and to obtain assistance in program development and management.

Enclosure (2)

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# DEFINITIONS

A. Action Point. A point(s), identified within each SYSCOM field activity, responsible for resolution of a reported product deficiency including necessary collaboration with support points. Action point is the point of contact responsible for receiving and resolving discrepancy reports at that field activity. Actions necessary to accomplish this function are usually detailed in SYSCOM or field level guidance. The action point is authorized to transmit a deficiency report across SYSCOM or component lines to a support point in another SYSCOM or component.

B. Screening Point. An activity, within the SYSCOM or component originating the report, which is required to perform report screening; determine the action point; transmit Deficiency Reports to the appropriate action point; monitor outstanding reports; and receive responses.

C. PDREP Navy Focal Point. Activity designated to aid in the design, implementation and management of the subject program, and to provide technical assistance to ASSTSECNAV(S&L) RM&QA during and subsequent to program implementation.

D. DOD Component. The Military Departments and the Defense Agencies (See DODD 5000.1 of 12 March 1986).

E. Exhibit. The item reported as being deficient, or a sample item which represents the reported deficient condition, which can be analyzed to determine the possible cause of the defect.

F. Government-Furnished Property. Property in the possession of, or acquired directly by, the Government and subsequently delivered to or otherwise made available to the contractor.

G. Government-Owned Product. A product which is owned by or leased to the Government or acquired by the Government under the terms of a contract.

H. Originating Point. Activity within a component which finds a deficiency and reports it.

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I. Product. Item, material, data, software, supplies, system, assembly, subassembly, or portion thereof which is produced, purchased, developed, or otherwise used by the Government (See DODD 4155.1 of 10 August 1978.)

J. Product Deficiency. A defect or nonconforming condition which limits or prohibits the product from fulfilling its intended purpose. Included are deficiencies in design, specification, material, manufacturing and workmanship.

K. Quality Deficiency Report (QDR). The SF 368 is used to record and transmit product quality deficiency data. (See DLAR 4155.24).

L. Report of Discrepancy (ROD). The SF 364 is a multi-use form for reporting of item and packaging discrepancies. It includes report of overages, shortages, missing documentation, wrong item, packing, marking, and similar deficiencies on shipments received from contractors. Because of overlap of reporting requirements with other forms, the SF 364 could also be used to report conditions which affect the serviceability or useability of the item. This form is also used to report deficiencies in Foreign Military Sales shipments. (See NAVSUPINST 4440.179)

M. Support Point. An activity that assists the action point, as requested, by conducting and providing results of a special analysis or investigation pertinent to the correction and prevention of a reported product deficiency.

N. Report Screening. The review of a deficiency report for proper categorization, validity, correctness of entries, accuracy, and completion of information and addresses.

Enclosure (3)